

**DEPARTMENT OF STATE REVENUE**  
**LETTER OF FINDINGS NUMBER: 02-0561P**  
**Withholding Tax**  
**Month Ending 04/30/01**

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**ISSUE(S)**

**I. Tax Administration – Penalty**

**Authority:** IC 6-8.1-10-2.1(d); 45 IAC 15-11-2

Taxpayer protests the penalty assessed.

**STATEMENT OF FACTS**

Taxpayer was assessed a late payment penalty for the month of April 2001. In a letter dated November 20, 2002, taxpayer requests a waiver because its accountant and attorney each thought that the other was filing for its tax accounts. Taxpayer states that it wasn't until June that it was determined that nothing had been filed. Taxpayer registered on June 15, 2001. Taxpayer prepared its own payroll in February, March, and three weeks in April before turning it over to an agent.

**I. Tax Administration – Penalty**

**DISCUSSION**

Taxpayer failed to remit its withholding tax timely and was assessed a late payment penalty. Taxpayer states that it believed either the accountant or its attorney was filing for its tax accounts.

Taxpayer's failure to remit the tax timely was not the result of reasonable cause. Taxpayer should have assured itself that either the accountant or attorney was following through with its duty to properly register with the Department. Payment for February, March, and April were clearly late and the Taxpayer has failed to substantiate reasonable cause for a waiver of the penalty.

**FINDING**

Taxpayer's protest is denied.